



February 19, 2016

ENGROSSED HOUSE BILL No. 1004

DIGEST OF HB 1004 (Updated February 17, 2016 1:18 pm - DI 102)

Citations Affected: IC 5-10.4; IC 20-20; IC 20-28.

Synopsis: School pension plans and other education matters. Establishes the teachers' defined contribution plan (plan) as an account within the Indiana state teachers' retirement fund (fund). Provides that an individual who begins employment with a school corporation in a covered position that would otherwise be eligible for membership in the fund may elect to become a member of the plan. Provides that an individual who does not elect to become a member of the plan becomes a member of the fund. Requires the board of trustees of the Indiana public retirement system (board) to establish, subject to any approval from the Internal Revenue Service that the board considers necessary or desirable, alternative investment programs within the annuity savings account as the initial alternative investment programs for the plan, except that the board must maintain at least one investment option that is a stable value fund and may not offer the guaranteed program as an investment option. Provides that each member's
(Continued next page)

Effective: July 1, 2016.

Behning, McNamara, Truitt

(SENATE SPONSORS — KRUSE, BASSLER, BANKS, KENLEY)

January 13, 2016, read first time and referred to Committee on Education.
January 25, 2016, amended, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.
January 28, 2016, reported — Do Pass.
February 2, 2016, read second time, amended, ordered engrossed.
February 3, 2016, engrossed. Read third time, passed. Yeas 57, nays 42.
SENATE ACTION
February 8, 2016, read first time and referred to Committee on Pensions & Labor.
February 18, 2016, amended, reported favorably — Do Pass.

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contribution to the plan is 3% of the member's compensation, but authorizes the employer to pay all or part of the member's contribution on behalf of the member. Allows a member to make additional contributions to the plan up to 10% of the member's compensation. Provides that the employer's contribution rate for the plan is equal to the employer's contribution rate for the fund as determined by the board, although the amount credited from the employer's contribution rate to the member's account may not be greater than the normal cost of the fund. Provides that any amount not credited to the member's account shall be applied to the unfunded accrued liability of the fund. Provides that member contributions and net earnings on the member contributions belong to the member at all times and do not belong to the employer. Provides that a member vests in the employer contribution subaccount at 20% per year with full vesting after five years' participation in the plan. Provides that, if a member separates from service with an employer before the member is fully vested in the employer contribution subaccount, the amount in the subaccount that is not vested is forfeited. Provides that a member who: (1) terminates service in a covered position; and (2) does not perform any service in a covered position for at least 30 days after the date on which the member terminates service; is entitled to withdraw vested amounts in the member's account. Provides that a member may elect to have withdrawals paid as: (1) a lump sum; (2) a direct rollover to another eligible retirement plan; or (3) if the member has attained 62 years of age with at least five years' participation in the plan, a monthly annuity in accordance with the rules of the board. Establishes: (1) the Indiana teacher retention and recruitment program to improve teacher retention rates, recruitment, and quality; and (2) the Indiana new teacher mentoring program. Requires the department of education to grant a license to an individual who: (1) holds a valid teaching license issued by another state in the same content area or areas for which the individual is applying for a license in Indiana; and (2) was required to pass a content licensure test to obtain the license. Provides that if the individual has less than three years of full-time teaching experience, the individual is granted an initial practitioner's license. Provides that if the individual has at least three years of full-time teaching experience, the individual is granted a practitioner's license. Requires the individual to complete training: (1) in CPR and certain additional emergency skills; and (2) on the prevention of child suicide; not later than 12 months after the date the individual's license is issued. Establishes certain factors for which a teacher may receive a supplemental payment in excess of the salary specified in the school corporation's compensation plan. Provides that not more than 50% of a supplemental payment may be added to the teacher's base salary, based upon school corporation policy. Provides that, in the first two full school years that a teacher provides instruction to students in elementary school or high school, the teacher is exempt from the prohibition on receiving a raise or increment in a year following the year in which a teacher is rated ineffective or improvement necessary.



February 19, 2016

Second Regular Session of the 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1004

A BILL FOR AN ACT to amend the Indiana Code concerning pensions and education.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 5-10.4-4-1, AS AMENDED BY P.L.119-2012,
2 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2016]: Sec. 1. (a) The members of the fund include:
4 (1) legally qualified and regularly employed teachers in the public
5 schools;
6 (2) persons employed by a governing body, who were qualified
7 before their election or appointment;
8 (3) legally qualified and regularly employed teachers at Ball State
9 University, Indiana State University, University of Southern
10 Indiana, and Vincennes University;
11 (4) legally qualified and regularly employed teachers in a state
12 educational institution whose teachers devote their entire time to
13 teaching;
14 (5) legally qualified and regularly employed teachers in state
15 benevolent, charitable, or correctional institutions;

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(6) legally qualified and regularly employed teachers in an experimental school in a state university who teach elementary or high school students;

(7) as determined by the board, certain instructors serving in a state educational institution extension division not covered by a state retirement law;

(8) employees and officers of the department of education and of the fund who were qualified before their election or appointment;

(9) a person who:

(A) is employed as a nurse appointed under IC 20-34-3-6 by a school corporation located in a city having a population of more than eighty thousand (80,000) but less than eighty thousand four hundred (80,400); and

(B) participated in the fund before December 31, 1991, in the position described in clause (A); and

(10) persons who are employed by the fund.

(b) Teachers in any state institution who accept the benefits of a state supported retirement benefit system comparable to the fund's benefits may not come under the fund unless permitted by law or the rules of the board.

(c) The members of the fund do not include substitute teachers who have not obtained an associate degree or a baccalaureate degree.

(d) The members of the fund do not include individuals who participate in the teachers' defined contribution plan under IC 5-10.4-8.

SECTION 2. IC 5-10.4-8 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]:

Chapter 8. Teachers' Defined Contribution Plan

Sec. 1. (a) Except as provided in subsection (b), this chapter applies after the effective date of the plan to an individual who:

(1) begins employment with a school corporation in a covered position that would otherwise be eligible for membership in the fund under IC 5-10.4-4; and

(2) makes the election described in section 6 of this chapter to become a member of the plan.

(b) This chapter does not apply to the following:

(1) An individual who, before the effective date of the plan, is or was a member (as defined in IC 5-10.4-1-9) of the fund.

(2) An individual who, on or after the effective date of the plan:

(A) begins employment with a school corporation that



1 participates in the plan in a covered position that would
 2 otherwise be eligible for membership in the fund under
 3 IC 5-10.4-4; and

4 (B) does not make the election described in section 6 of this
 5 chapter to become a member of the plan.

6 **Sec. 2.** The following definitions apply throughout this chapter:

7 (1) "Account" means the plan account established for a
 8 member under section 7(b) of this chapter.

9 (2) "Annuity savings account" means the annuity savings
 10 account of the 1996 account maintained under
 11 IC 5-10.2-2-2(b)(2) and IC 5-10.2-2-2(c)(1).

12 (3) "Compensation" has the meaning set forth in
 13 IC 5-10.2-3-2(a).

14 (4) "Effective date" means the first day of the month that is
 15 six (6) months after the month in which the Internal Revenue
 16 Service issues an approval of the plan.

17 (5) "Employer" means a school corporation.

18 (6) "Employer contribution subaccount" means the
 19 subaccount in a member's plan account established under
 20 section 7(b)(2) of this chapter.

21 (7) "Internal Revenue Code" has the meaning set forth in
 22 IC 5-10.2-1-3.5.

23 (8) "Member" means an individual described in section 1(a)
 24 of this chapter who is not otherwise excluded from
 25 membership in the plan.

26 (9) "Member contribution subaccount" means the subaccount
 27 in a member's plan account established under section 7(b)(1)
 28 of this chapter.

29 (10) "Normal retirement age" for a member means the
 30 member is at least sixty-two (62) years of age with at least five
 31 (5) years of participation in the plan.

32 (11) "Plan" refers to the teachers' defined contribution plan
 33 established by section 4 of this chapter.

34 (12) "Years of participation" means all periods of
 35 participation in the plan in a covered position, plus any
 36 additional service for which this chapter provides years of
 37 participation credit.

38 **Sec. 3.** Except as otherwise provided in this chapter or by
 39 federal law, and subject to the board obtaining any approval from
 40 the Internal Revenue Service that the board considers necessary or
 41 desirable, the provisions of this article that apply to the annuity
 42 savings account apply to an account established under this chapter.



1 **Sec. 4. (a) The teachers' defined contribution plan is established**
 2 **for the purpose of providing amounts funded by an employer and**
 3 **a member for the use of the member or the member's beneficiaries**
 4 **or survivors after the member's retirement.**

5 **(b) The board shall adopt provisions to implement the plan**
 6 **established under subsection (a) as follows:**

7 **(1) The board shall initially offer the plan using the annuity**
 8 **savings account, subject to obtaining any approval from the**
 9 **Internal Revenue Service that the board considers necessary**
 10 **or desirable to preserve the qualified status of the plan and**
 11 **the fund. The plan as provided under this subdivision is a**
 12 **component within the fund.**

13 **(2) If the approval of the Internal Revenue Service to offer the**
 14 **plan using the annuity savings account cannot be obtained in**
 15 **a manner satisfactory to the board, the board shall offer the**
 16 **plan as a separate fund under Section 401(a) or another**
 17 **applicable section of the Internal Revenue Code.**

18 **(c) The board shall administer the plan.**

19 **(d) The board may adopt a plan document that it considers**
 20 **appropriate or necessary to administer the plan.**

21 **Sec. 5. The board may request from the Internal Revenue**
 22 **Service any rulings or determination letters that the board**
 23 **considers necessary or appropriate in order to implement or**
 24 **administer the plan.**

25 **Sec. 6. (a) An individual who, on or after the effective date of the**
 26 **plan, begins employment with a school corporation that**
 27 **participates in the plan in a covered position that would otherwise**
 28 **be eligible for membership in the fund under IC 5-10.4-4 may elect**
 29 **to become a member of the plan.**

30 **(b) An election under this section:**

31 **(1) must be made in writing;**

32 **(2) must be filed with the board, on a form prescribed by the**
 33 **board; and**

34 **(3) is irrevocable.**

35 **(c) An individual who does not elect to become a member of the**
 36 **plan becomes a member (as defined in IC 5-10.4-1-9) of the fund.**

37 **Sec. 7. (a) The plan consists of the following:**

38 **(1) Each member's contributions to the plan under section 9**
 39 **of this chapter.**

40 **(2) Contributions made by an employer to the plan on behalf**
 41 **of each member under section 10 of this chapter.**

42 **(3) Rollovers to the plan by a member under section 15 of this**



chapter.

(4) All earnings on investments or deposits of the plan.

(5) All contributions or payments to the plan made in the manner provided by the general assembly.

(b) The plan shall establish an account for each member. A member's account consists of two (2) subaccounts credited individually as follows:

(1) The member contribution subaccount consists of:

(A) the member's contributions to the plan under section 9 of this chapter; and

(B) the net earnings on the contributions described in clause (A) as determined under section 8 of this chapter.

(2) The employer contribution subaccount consists of:

(A) the employer's contributions made on behalf of the member to the plan under section 10 of this chapter; and

(B) the earnings on the contributions described in clause (A) as determined under section 8 of this chapter.

The board may combine the two (2) subaccounts established under this subsection into a single account, if the board determines that a single account is administratively appropriate and permissible under applicable law.

(c) If a member makes rollover contributions under section 15 of this chapter, the plan shall establish a rollover account as a separate subaccount within the member's account.

Sec. 8. (a) Subject to the board obtaining any approval from the Internal Revenue Service that the board considers necessary or desirable, the board shall establish the alternative investment programs (as described by IC 5-10.2-2-3 and IC 5-10.2-2-4) within the annuity savings account as the initial alternative investment programs for the plan, except that the board shall maintain at least one (1) alternative investment program that is a stable value fund. If the board considers it necessary or appropriate, the board may establish different or additional alternative investment programs for the plan. However, the guaranteed program (as defined in IC 5-10.2-2-3) may not be offered as an investment option under the plan.

(b) The requirements and rules that apply to the alternative investment programs within the annuity savings account are the initial requirements and rules that apply to the alternative investment programs within the plan, including the following:

(1) The board's investment guidelines and limits for the alternative investment programs.



1 (2) A member's selection of and changes to the member's
2 investment options.

3 (3) The valuation of a member's account.

4 (4) The allocation and payment of administrative expenses for
5 the alternative investment programs.

6 (c) If the board considers it necessary or appropriate, the board
7 may establish different or additional requirements and rules that
8 apply to the alternative investment programs within the plan.

9 (d) The board shall determine the appropriate administrative
10 fees to be charged to the member accounts.

11 Sec. 9. (a) Each member's contribution to the plan is equal to
12 three percent (3%) of the member's compensation.

13 (b) An employer may pay all or part of the member's
14 contribution on behalf of the member.

15 (c) To the extent permitted by the Internal Revenue Code and
16 applicable regulations, a member of the plan may make
17 contributions to the plan in addition to the contribution required
18 under subsection (a). IC 5-10.2-3-2(c) and IC 5-10.2-3-2(d) govern
19 additional contributions made under this subsection.

20 (d) Member contributions must be credited to the member's
21 account as specified in IC 5-10.2-3.

22 (e) Although designated as employee contributions, the
23 contributions made under subsection (b) by an employer may be
24 picked up and paid by the employer instead of the contributions
25 being paid by the employee in accordance with Section 414(h)(2) of
26 the Internal Revenue Code.

27 (f) A member may not receive any amounts paid by an employer
28 under this section directly instead of having the amounts paid to
29 the plan.

30 Sec. 10. (a) An employer shall make employer contributions to
31 the plan based on the rate determined under this section.

32 (b) The employer's contribution rate for the plan must be equal
33 to the employer's contribution rate for the fund as determined by
34 the board under IC 5-10.2-2-11(b). The amount credited from the
35 employer's contribution rate to the member's account may not be
36 greater than the normal cost of the fund. Any amount not credited
37 to the member's account must be applied to the unfunded accrued
38 liability of the fund as determined under IC 5-10.2-2-11(a)(3) and
39 IC 5-10.2-2-11(a)(4).

40 (c) An employer's minimum contribution under this section is
41 equal to three percent (3%) of the compensation of all members of
42 the plan.



(d) An employer shall submit the employer contributions determined under this section as provided in IC 5-10.2-2-12.5.

Sec. 11. (a) Member contributions and net earnings on the member contributions in the member contribution subaccount belong to the member at all times and do not belong to the employer.

(b) A member is vested in the employer contribution subaccount in accordance with the following schedule:

Years of participation in the plan	Vested percentage of employer contributions and earnings
1	20%
2	40%
3	60%
4	80%
5	100%

For purposes of vesting in the employer contribution subaccount, only a member's full years of participation in the plan may be counted.

(c) The amount that a member may withdraw from the member's account is limited to the vested portion of the account.

(d) A member who attains normal retirement age is fully vested in all amounts in the member's account.

(e) If a member separates from service with an employer before the member is fully vested in the employer contribution subaccount, the amount in the employer contribution subaccount that is not vested is forfeited as of the date the member separates from service.

(f) Amounts forfeited under subsection (e) must be used to reduce the employer's unfunded accrued liability of the fund as determined under IC 5-10.2-2-11(a)(3) and IC 5-10.2-2-11(a)(4).

(g) A member may not earn creditable service (as defined in IC 5-10.2-3-1(a)) under the plan.

Sec. 12. (a) Subject to the provisions of the Internal Revenue Code applicable to qualified plan distributions, a member who:

(1) terminates service in a covered position; and

(2) does not perform any service in a position covered by the fund for at least thirty (30) days after the date on which the member terminates service;

is entitled to withdraw amounts in the member's account to the extent the member is vested in the account. A member must make a required withdrawal from the member's account not later than



the required beginning date under the Internal Revenue Code.

(b) The member may elect to have withdrawals paid as:

- (1) a lump sum;
- (2) a direct rollover to another eligible retirement plan; or
- (3) if the member has attained normal retirement age, a monthly annuity in accordance with the rules of the board.

(c) The board may establish a minimum account balance or a minimum monthly payment amount in order for a member to select the monthly annuity option. The board shall establish the forms of annuity by rule, in consultation with the board's actuary. The board shall give members information about these forms of payment and any information required by federal law to accompany such distributions.

(d) Unless otherwise required by federal or state law, the requirements and rules that apply to the distribution of the annuity savings account apply to distributions from a member's account.

Sec. 13. (a) If a member dies:

- (1) while in service in a position covered by the plan but not in the line of duty; or
- (2) after terminating service in a position covered by the plan but before withdrawing the member's account;

to the extent that the member is vested, the member's account shall be paid to the beneficiary or beneficiaries designated by the member on a form prescribed by the board. The amount paid must be valued as provided in IC 5-10.2-2-3 and IC 5-10.2-2-4. The board shall invest the total amount in the member's account in the stable value fund not later than thirty (30) days after receiving notification of a member's death.

(b) If there is no properly designated beneficiary, or if no beneficiary survives the member, the member's account shall be paid to:

- (1) the surviving spouse of the member;
- (2) if there is not a surviving spouse, the surviving dependent or dependents of the member in equal shares; or
- (3) if there is not a surviving spouse or dependent, the member's estate.

(c) The beneficiary or beneficiaries designated under subsection (a) or a survivor determined under subsection (b) may elect to have the member's account paid as:

- (1) a lump sum;
- (2) a direct rollover to another eligible retirement plan; or
- (3) a monthly annuity in accordance with rules of the board.



1 A monthly annuity is an option only on or after the date the
 2 beneficiary or survivor becomes sixty-two (62) years of age. The
 3 board shall establish the forms of annuity by rule, in consultation
 4 with the board's actuary. Further, the board may establish a
 5 minimum account balance or a minimum monthly payment
 6 amount that is required in order for a beneficiary or survivor to
 7 select the monthly annuity option.

8 Sec. 14. (a) All assets in the plan are exempt from levy, sale,
 9 garnishment, attachment, or other legal process.

10 (b) A member, beneficiary, or survivor may not assign any
 11 payment under this chapter except for the following:

12 (1) Premiums on a life, hospitalization, surgical, or medical
 13 group insurance plan maintained in part by a state agency.

14 (2) Dues to an association that proves to the board's
 15 satisfaction that the association has as members at least
 16 twenty percent (20%) of the retired members in the plan.

17 Sec. 15. (a) To the extent permitted by the Internal Revenue
 18 Code and the applicable regulations and guidance, the plan may
 19 accept, on behalf of any member who is employed in a covered
 20 position, a rollover distribution from any of the following:

21 (1) A qualified plan described in Section 401(a) or Section
 22 403(a) of the Internal Revenue Code.

23 (2) An annuity contract or account described in Section 403(b)
 24 of the Internal Revenue Code.

25 (3) An eligible plan maintained by a state, a political
 26 subdivision of a state, or an agency or instrumentality of a
 27 state or political subdivision of a state under Section 457(b) of
 28 the Internal Revenue Code.

29 (4) An individual retirement account or annuity described in
 30 Section 408(a) or 408(b) of the Internal Revenue Code.

31 (b) Any amounts rolled over under subsection (a) must be
 32 accounted for in a rollover account that is separate from the
 33 member's account in the plan. The member shall be fully vested in
 34 the member's rollover account.

35 (c) A member may direct the investment of the member's
 36 rollover account into any alternative investment option that the
 37 board may make available to the member's rollover account under
 38 section 8 of this chapter.

39 (d) A member may withdraw the member's rollover account
 40 from the plan in a lump sum or direct a rollover to an eligible
 41 retirement plan at any time. Upon attainment of normal retirement
 42 age, in addition to these payment options, the member may



1 withdraw the member's rollover account as a monthly annuity as
 2 established by the board in accordance with the annuity options
 3 that are available for the member's account in the plan. A member
 4 shall make a required withdrawal from the member's account in
 5 the plan not later than the required beginning date under the
 6 Internal Revenue Code.

7 Sec. 16. (a) If a member becomes disabled while in a covered
 8 position, subject to any federal law limitations concerning qualified
 9 plan distributions and the member furnishing proof of the
 10 member's qualification for Social Security disability benefits to the
 11 board, to the extent that the member is vested, the member may
 12 make a withdrawal from the member's account.

13 (b) The member may elect to have the withdrawal paid as:

14 (1) a lump sum;

15 (2) a direct rollover to another eligible retirement plan; or

16 (3) a monthly annuity in accordance with the rules of the
 17 board.

18 (c) The board may establish a minimum account balance or a
 19 minimum monthly payment amount in order for a member to
 20 select the monthly annuity option.

21 Sec. 17. (a) If a member of the plan separates from employment
 22 with the member's employer and later returns to employment in a
 23 position covered by the plan:

24 (1) the individual resumes membership in the plan; and

25 (2) the member is entitled to receive credit for the member's
 26 years of participation in the plan before the member's
 27 separation. However, any amounts forfeited by the member
 28 under section 11(e) of this chapter may not be restored to the
 29 member's account.

30 (b) An individual who elected under section 6 of this chapter to
 31 become a member of the plan resumes membership in the plan
 32 upon the individual's return to employment covered by the plan.

33 (c) An individual who did not elect to become a member of the
 34 plan resumes membership in the fund.

35 (d) An individual who returns to employment in a position
 36 covered by the plan having had an opportunity to make an election
 37 under section 6 of this chapter during an earlier period of
 38 employment is not entitled to a second opportunity to make an
 39 election under section 6 of this chapter.

40 SECTION 3. IC 5-10.4-9 IS ADDED TO THE INDIANA CODE
 41 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2016]:

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Chapter 9. Participation by School Corporations in the Defined Contribution Plan

Sec. 1. The following definitions apply throughout this chapter:

(1) "Account" has the meaning set forth in IC 5-10.4-8-2(1).

(2) "Plan" has the meaning set forth in IC 5-10.4-8-2(11).

Sec. 2. On the effective date of the plan, a school corporation becomes a participant in the plan.

Sec. 3. After a school corporation becomes a participant in the plan, its governing body may make appropriations, make payments, and do all things required under IC 5-10.4-8.

Sec. 4. The board shall maintain separate accounts for each contribution rate group. Credits and charges to these accounts shall be made as prescribed under IC 5-10.4-8.

Sec. 5. A school corporation shall make the appropriations and payments required under this article and IC 5-10.2 from its general fund.

Sec. 6. If a school corporation fails to make payments required by this chapter, the amount payable may be:

(1) withheld by the auditor of state from money payable to the school corporation and transferred to the plan; or

(2) recovered in a suit in the circuit or superior court of the county in which the school corporation is located. The suit must be an action by the state on the relation of the board, prosecuted by the attorney general.

SECTION 4. IC 20-20-42.2 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]:

Chapter 42.2. Indiana Teacher Retention and Recruitment Program

Sec. 1. As used in this chapter, "program" refers to the Indiana teacher retention and recruitment program established by section 2 of this chapter.

Sec. 2. (a) The Indiana teacher retention and recruitment program is established to improve teacher retention rates, recruitment, and quality. Except as provided in subsection (b), the department, in consultation with teachers, school officials, and other stakeholders, may develop and implement programs to do the following:

(1) Promote the mentoring of inexperienced teachers by effective role models.

(2) Promote the teaching profession in Indiana and the recruitment of teachers.



1 (3) If requested by a school corporation, provide assistance to
 2 the school corporation in developing a compensation model
 3 that:

4 (A) includes a pay range that has a professionally
 5 competitive base and index;

6 (B) includes regular increases of the base salary;

7 (C) expands opportunities for pay increases based on
 8 career paths, including ongoing learning through advanced
 9 degrees or additional licensure in education or related
 10 content areas; and

11 (D) establishes and compensates teacher leadership and
 12 career ladders that have mentoring opportunities and
 13 ongoing advancement, support, and recognition of teacher
 14 skills and experience.

15 (4) If requested by a school corporation, provide assistance to
 16 the school corporation in developing a teacher evaluation plan
 17 under IC 20-28-11.5-4 that emphasizes the use of data from
 18 multiple forms of assessment, including informal, teacher
 19 constructed, and standardized assessments to improve
 20 instruction and measure student growth.

21 (5) Improve or extend preservice clinical experience before
 22 licensure.

23 (6) Improve teacher and administrative knowledge and
 24 practice focused professional development programs.

25 (7) Increase teacher career pathways and leadership
 26 opportunities inside or outside the classroom.

27 (b) The programs developed and implemented by the
 28 department under subsection (a) must increase underrepresented
 29 populations in the teaching workforce.

30 (c) The scope of the development and implementation of
 31 programs under subsection (a) are subject to the availability and
 32 allocation of sufficient funding necessary for the department to
 33 staff the programs and carry out its responsibilities under this
 34 chapter.

35 (d) The department may award grants to school corporations or
 36 school personnel for programs established by the department
 37 under subsection (a) using criteria developed and in a manner
 38 prescribed by the department and approved by the state board.

39 SECTION 5. IC 20-20-43 IS ADDED TO THE INDIANA CODE
 40 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 41 JULY 1, 2016]:

42 Chapter 43. Indiana New Teacher Mentoring Program



1 **Sec. 1. This chapter applies to an individual who receives an**
 2 **initial Indiana teaching license after March 31, 2016.**

3 **Sec. 2. As used in this chapter, "advisor" means a representative**
 4 **of a teacher training institution within Indiana who acts as a**
 5 **teacher advisor for a new teacher.**

6 **Sec. 3. As used in this chapter, "beginning teacher" means an**
 7 **individual who:**

8 **(1) is employed as a teacher at a public school;**

9 **(2) has not successfully completed a mentoring program**
 10 **under this chapter; and**

11 **(3) has three (3) years or less of teaching experience.**

12 **Sec. 4. As used in this chapter, "mentor" refers to an individual**
 13 **who is assigned under section 8 of this chapter.**

14 **Sec. 5. As used in this chapter, "mentoring program" refers to**
 15 **the Indiana new teacher mentoring program established under**
 16 **section 7 of this chapter.**

17 **Sec. 6. As used in this chapter, "teacher training institution"**
 18 **means a college or university offering a program of teacher**
 19 **education approved by the board.**

20 **Sec. 7. (a) The Indiana new teacher mentoring program is**
 21 **established in collaboration with teacher training institutions to:**

22 **(1) assist new teachers in the performance of their duties;**

23 **(2) identify teaching skills and educational practices necessary**
 24 **to acquire and maintain excellence in teaching; and**

25 **(3) evaluate the performance of beginning teachers by**
 26 **principals.**

27 **(b) The department may award grants to school corporations**
 28 **and charter schools for the purpose of providing stipends to**
 29 **mentors under section 8 of this chapter. The department, with the**
 30 **approval of the state board, shall establish criteria and the manner**
 31 **for distributing grants under this chapter, if the mentoring**
 32 **program has adequate funding to award grants.**

33 **(c) The scope of the development and implementation of the**
 34 **mentoring program under subsection (a) is subject to the**
 35 **availability and allocation of sufficient funding necessary for the**
 36 **department to staff the mentoring program and carry out its**
 37 **responsibilities under this chapter.**

38 **Sec. 8. (a) Each school corporation and charter school may, with**
 39 **the consent of the mentor, assign a mentor to assist each beginning**
 40 **teacher under the mentoring program. If a school corporation or**
 41 **charter school elects to participate in the mentoring program, the**
 42 **superintendent shall, whenever possible, assign a mentor who:**



- (1) has at least three (3) years of teaching experience;
- (2) teaches at a grade level similar to that of the beginning teacher;
- (3) teaches similar subjects as those of the beginning teacher;
- and
- (4) teaches in the same building as the beginning teacher.

(b) A mentor must be a teacher who is rated as effective or highly effective in an annual performance evaluation plan developed under IC 20-28-11.5-4.

(c) A mentor does not become a supervisor as a result of performing duties under this chapter.

(d) The superintendent shall take the action necessary to provide a mentor adequate time for the mentor to observe the beginning teacher in a classroom setting. Whenever practical, the superintendent shall provide the mentor release time from the mentor's nonclassroom duties.

(e) A mentor may receive an annual stipend in an amount determined by the school corporation or charter school from a grant made under this chapter. However, the following stipend amounts are recommended:

- (1) One thousand dollars (\$1,000) to a mentor who mentors a beginning teacher with one (1) school year or less of teaching experience.
- (2) Eight hundred dollars (\$800) to a mentor who mentors a beginning teacher with more than one (1) school year but two (2) school years or less of teaching experience.
- (3) Six hundred dollars (\$600) to a mentor who mentors a beginning teacher with more than two (2) school years but three (3) school years or less of teaching experience.

Sec. 9. The commission for higher education, in consultation with the department, shall monitor the success of mentoring programs established in collaboration with teacher training institutions under this chapter and provide information relating to successful mentoring programs on the commission for higher education's Internet web site.

SECTION 6. IC 20-28-5-3, AS AMENDED BY P.L.6-2012, SECTION 135, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3. (a) The department shall designate the grade point average required for each type of license.

(b) The department shall determine details of licensing not provided in this chapter, including requirements regarding the following:

- (1) The conversion of one (1) type of license into another.



- 1 (2) The accreditation of teacher education schools and
- 2 departments.
- 3 (3) The exchange and renewal of licenses.
- 4 (4) The endorsement of another state's license.
- 5 (5) The acceptance of credentials from teacher education
- 6 institutions of another state.
- 7 (6) The academic and professional preparation for each type of
- 8 license.
- 9 (7) The granting of permission to teach a high school subject area
- 10 related to the subject area for which the teacher holds a license.
- 11 (8) The issuance of licenses on credentials.
- 12 (9) The type of license required for each school position.
- 13 (10) The size requirements for an elementary school requiring a
- 14 licensed principal.
- 15 (11) Any other related matters.

16 The department shall establish at least one (1) system for renewing a
17 teaching license that does not require a graduate degree.

18 (c) This subsection does not apply to an applicant for a substitute
19 teacher license **or to an individual granted a license under section**
20 **18 of this chapter.** After June 30, 2011, the department may not issue
21 an initial practitioner license at any grade level to an applicant for an
22 initial practitioner license unless the applicant shows evidence that the
23 applicant:

- 24 (1) has successfully completed training approved by the
- 25 department in:
 - 26 (A) cardiopulmonary resuscitation that includes a test
 - 27 demonstration on a mannequin;
 - 28 (B) removing a foreign body causing an obstruction in an
 - 29 airway;
 - 30 (C) the Heimlich maneuver; and
 - 31 (D) the use of an automated external defibrillator;
- 32 (2) holds a valid certification in each of the procedures described
- 33 in subdivision (1) issued by:
 - 34 (A) the American Red Cross;
 - 35 (B) the American Heart Association; or
 - 36 (C) a comparable organization or institution approved by the
 - 37 advisory board; or
- 38 (3) has physical limitations that make it impracticable for the
- 39 applicant to complete a course or certification described in
- 40 subdivision (1) or (2).

41 The training in this subsection applies to a teacher (as defined in
42 IC 20-18-2-22(b)).



(d) This subsection does not apply to an applicant for a substitute teacher license **or to an individual granted a license under section 18 of this chapter**. After June 30, 2013, the department may not issue an initial teaching license at any grade level to an applicant for an initial teaching license unless the applicant shows evidence that the applicant has successfully completed education and training on the prevention of child suicide and the recognition of signs that a student may be considering suicide.

(e) This subsection does not apply to an applicant for a substitute teacher license. After June 30, 2012, the department may not issue a teaching license renewal at any grade level to an applicant unless the applicant shows evidence that the applicant:

(1) has successfully completed training approved by the department in:

(A) cardiopulmonary resuscitation that includes a test demonstration on a mannequin;

(B) removing a foreign body causing an obstruction in an airway;

(C) the Heimlich maneuver; and

(D) the use of an automated external defibrillator;

(2) holds a valid certification in each of the procedures described in subdivision (1) issued by:

(A) the American Red Cross;

(B) the American Heart Association; or

(C) a comparable organization or institution approved by the advisory board; or

(3) has physical limitations that make it impracticable for the applicant to complete a course or certification described in subdivision (1) or (2).

(f) The department shall periodically publish bulletins regarding:

(1) the details described in subsection (b);

(2) information on the types of licenses issued;

(3) the rules governing the issuance of each type of license; and

(4) other similar matters.

SECTION 7. IC 20-28-5-12, AS AMENDED BY P.L.6-2012, SECTION 136, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 12. (a) Subsection (b) does not apply to an individual who:

(1) held an Indiana limited, reciprocal, or standard teaching license on June 30, 1985; **or**

(2) **is granted a license under section 18 of this chapter.**

(b) The department may not grant an initial practitioner license to



an individual unless the individual has demonstrated proficiency in the following areas on a written examination or through other procedures prescribed by the department:

- (1) Basic reading, writing, and mathematics.
- (2) Pedagogy.
- (3) Knowledge of the areas in which the individual is required to have a license to teach.
- (4) If the individual is seeking to be licensed as an elementary school teacher, comprehensive scientifically based reading instruction skills, including:
 - (A) phonemic awareness;
 - (B) phonics instruction;
 - (C) fluency;
 - (D) vocabulary; and
 - (E) comprehension.

(c) An individual's license examination score may not be disclosed by the department without the individual's consent unless specifically required by state or federal statute or court order.

(d) The state board shall adopt rules under IC 4-22-2 to do the following:

- (1) Adopt, validate, and implement the examination or other procedures required by subsection (b).
- (2) Establish examination scores indicating proficiency.
- (3) Otherwise carry out the purposes of this section.

(e) **Subject to section 18 of this chapter**, the state board shall adopt rules under IC 4-22-2 establishing the conditions under which the requirements of this section may be waived for an individual holding a valid teacher's license issued by another state.

SECTION 8. IC 20-28-5-18 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 18. (a) This section applies to an individual who:**

- (1) holds a valid teaching license issued by another state in the same content area or areas for which the individual is applying for a license in Indiana; and**
- (2) was required to pass a content licensure test to obtain the license described in subdivision (1).**

(b) Notwithstanding sections 3 and 12 of this chapter, the department shall grant one (1) of the following licenses to an individual described in subsection (a):

- (1) If the individual has less than three (3) years of full-time teaching experience, an initial practitioner's license.**
- (2) If the individual has at least three (3) years of full-time**



1 **teaching experience, a practitioner's license.**

2 **(c) An individual who is granted a license under this section**
 3 **shall comply with section 3(c) and 3(d) of this chapter not later**
 4 **than twelve (12) months after the date the individual's license is**
 5 **issued.**

6 SECTION 9. IC 20-28-7.5-1, AS AMENDED BY P.L.239-2015,
 7 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2016]: Sec. 1. (a) This chapter applies to a teacher in a school
 9 corporation (as defined in IC 20-18-2-16(a)).

10 (b) A contract with a teacher may be canceled immediately in the
 11 manner set forth in sections 2 through 4 of this chapter for any of the
 12 following reasons:

13 (1) Immorality.

14 (2) Insubordination, which means a willful refusal to obey the
 15 state school laws or reasonable rules adopted for the governance
 16 of the school building or the school corporation.

17 (3) Incompetence, including:

18 (A) for probationary teachers, receiving an ineffective
 19 designation on a performance evaluation or receiving two (2)
 20 consecutive improvement necessary ratings on a performance
 21 evaluation under IC 20-28-11.5; or

22 (B) for any teacher, receiving an ineffective designation on
 23 two (2) consecutive performance evaluations or an ineffective
 24 designation or improvement necessary rating under
 25 IC 20-28-11.5 for three (3) years of any five (5) year period.

26 (4) Neglect of duty.

27 (5) A conviction of an offense listed in IC 20-28-5-8(c).

28 (6) Other good or just cause.

29 (c) In addition to the reasons set forth in subsection (b), a
 30 probationary teacher's contract may be canceled for any reason relevant
 31 to the school corporation's interest in the manner set forth in sections
 32 2 through 4 of this chapter.

33 (d) After June 30, 2012, the cancellation of teacher's contracts due
 34 to a justifiable decrease in the number of teaching positions shall be
 35 determined on the basis of performance rather than seniority. In cases
 36 where teachers are placed in the same performance category, any of the
 37 items in ~~IC 20-28-9-1.5(b)~~ **IC 20-28-9-1.5(c)** may be considered.

38 (e) Only the governing body may terminate, cancel, or otherwise
 39 refuse to renew a contract of a superintendent or assistant
 40 superintendent. Notice of the contract cancellation or the refusal to
 41 renew the individual's contract must be provided in the manner
 42 provided in IC 20-28-8-3(a).



SECTION 10. IC 20-28-9-1.5, AS AMENDED BY P.L.213-2015, SECTION 179, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1.5. (a) This ~~subsection~~ **section** governs salary increases for a teacher employed by a school corporation. Compensation attributable to additional degrees or graduate credits earned before the effective date of a local compensation plan created under this chapter before July 1, 2015, shall continue for school years beginning after June 30, 2015. Compensation attributable to additional degrees for which a teacher has started course work before July 1, 2011, and completed course work before September 2, 2014, shall also continue for school years beginning after June 30, 2015.

(b) For school years beginning after June 30, 2015, a school corporation may provide a supplemental payment to a teacher in excess of the salary specified in the school corporation's compensation plan **if under any of the following circumstances:**

(1) The teacher has earned a master's degree from an accredited postsecondary educational institution in a content area directly related to the subject matter of:

(1) (A) a dual credit course; or

(2) (B) another course;
taught by the teacher.

(2) For school years beginning after June 30, 2016, the teacher has received authorization for the teacher's advanced placement course syllabus from the College Board for an advanced placement course taught by the teacher.

(3) For school years beginning after June 30, 2016, to attract or retain a teacher who is, or will be, employed in a position that is difficult to fill by the school corporation, as determined by the school corporation.

(4) For school years beginning after June 30, 2016, the attainment of either additional degrees or credit hours beyond the requirements for employment with at least eighteen (18) hours in a content area currently taught by the teacher or a content area the teacher plans to teach upon receiving the degree or credit hours. ~~In addition, a supplemental payment may be made to~~

(5) The teacher is an elementary school teacher who earns a master's degree in math or reading and literacy.

The superintendent or the superintendent's designee shall prepare a written explanation for the decision to supplement a teacher's pay. The explanation must include supporting documentation



1 based on the education and instructional benefit received by the
 2 school corporation. The explanation shall be filed in the teacher's
 3 personnel file and a copy of the explanation shall be provided to the
 4 exclusive representative. The school corporation shall present this
 5 information to the governing body in a public meeting. In addition,
 6 an amount determined under the policies adopted by the governing
 7 body but not exceeding fifty percent (50%) of the amount of a
 8 supplemental payment to an individual teacher in a particular state
 9 fiscal year beginning after June 30, 2016, becomes a permanent
 10 part of and increases the base salary of the teacher receiving the
 11 supplemental payment for school years beginning after the state
 12 fiscal year in which the supplemental payment is received. A
 13 supplement supplemental payment or an addition to a teacher's
 14 base salary provided under this subsection is not subject to collective
 15 bargaining, but a discussion of the supplement supplemental payment
 16 or addition to a teacher's base salary must be held. Such A
 17 supplement supplemental payment under this subsection is in
 18 addition to any increase permitted under subsection ~~(b)~~ (c).

19 ~~(b)~~ (c) Increases or increments in a local salary range must be based
 20 upon a combination of the following factors:

21 (1) A combination of the following factors taken together may
 22 account for not more than thirty-three **and one-third** percent
 23 ~~(33%)~~ (33.33%) of the calculation used to determine a teacher's
 24 increase or increment:

25 (A) The number of years of a teacher's experience.

26 (B) The attainment of either:

27 (i) additional content area degrees beyond the requirements
 28 for employment; or

29 (ii) additional content area degrees and credit hours beyond
 30 the requirements for employment, if required under an
 31 agreement bargained under IC 20-29.

32 (2) The results of an evaluation conducted under IC 20-28-11.5.

33 (3) The assignment of instructional leadership roles, including the
 34 responsibility for conducting evaluations under IC 20-28-11.5.

35 (4) The academic needs of students in the school corporation.

36 ~~(c)~~ (d) **Except as provided in subsection (e)**, a teacher rated
 37 ineffective or improvement necessary under IC 20-28-11.5 may not
 38 receive any raise or increment for the following year if the teacher's
 39 employment contract is continued. The amount that would otherwise
 40 have been allocated for the salary increase of teachers rated ineffective
 41 or improvement necessary shall be allocated for compensation of all
 42 teachers rated effective and highly effective based on the criteria in



1 subsection ~~(b)~~: (c).

2 **(e) Subsection (d) does not apply to a teacher in the first two (2)**
 3 **full school years that the teacher provides instruction to students**
 4 **in elementary school or high school. If a teacher provides**
 5 **instruction to students in elementary school or high school in**
 6 **another state, any full school year, or its equivalent in the other**
 7 **state, that the teacher provides instruction counts toward the two**
 8 **(2) full school years under this subsection.**

9 ~~(d)~~ **(f)** A teacher who does not receive a raise or increment under
 10 subsection ~~(e)~~ **(d)** may file a request with the superintendent or
 11 superintendent's designee not later than five (5) days after receiving
 12 notice that the teacher received a rating of ineffective. The teacher is
 13 entitled to a private conference with the superintendent or
 14 superintendent's designee.

15 ~~(e)~~ **(g)** The department shall publish a model compensation plan
 16 with a model salary range that a school corporation may adopt. ~~Before~~
 17 ~~July 1, 2015, the department may modify the model compensation plan,~~
 18 ~~as needed, to comply with subsection (f).~~

19 ~~(f)~~ **(h)** Each school corporation shall submit its local compensation
 20 plan to the department. For a school year beginning after June 30,
 21 2015, a local compensation plan must specify the range for teacher
 22 salaries. The department shall publish the local compensation plans on
 23 the department's Internet web site.

24 ~~(g)~~ **(i)** The department shall report any noncompliance with this
 25 section to the state board.

26 ~~(h)~~ **(j)** The state board shall take appropriate action to ensure
 27 compliance with this section.

28 ~~(i)~~ **(k)** This chapter may not be construed to require or allow a
 29 school corporation to decrease the salary of any teacher below the
 30 salary the teacher was earning on or before July 1, 2015, if that
 31 decrease would be made solely to conform to the new compensation
 32 plan.

33 ~~(j)~~ **(l)** After June 30, 2011, all rights, duties, or obligations
 34 established under IC 20-28-9-1 before its repeal are considered rights,
 35 duties, or obligations under this section.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1004, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 7.

Page 12, delete lines 2 through 8, begin a new paragraph and insert:

"(b) A school corporation may not hire more than ten percent (10%) of the school corporation's teachers under this section."

Page 12, delete lines 9 through 18.

Page 15, after line 11, begin a new paragraph and insert:

"SECTION 9. IC 20-29-2-4, AS AMENDED BY P.L.1-2007, SECTION 145, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 4. "Certificated employee" means a person:

(1) whose contract with the school corporation requires that the person hold a license or permit from the division of professional standards of the department under IC 20-28; ~~or~~

(2) who is employed as a teacher by a charter school established under IC 20-24; **or**

(3) who is hired by a school corporation under IC 20-26-5-5.5."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1004 as introduced.)

BEHNING

Committee Vote: yeas 9, nays 3.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1004, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB1004 as printed January 26, 2016.)

BROWN T

Committee Vote: Yeas 13, Nays 9

EH 1004—LS 7067/DI 116



HOUSE MOTION

Mr. Speaker: I move that House Bill 1004 be amended to read as follows:

Page 13, line 20, after "corporation." insert **"The superintendent, or the superintendent's designee, shall prepare a written explanation for the decision to supplement a teacher's pay which shall include supporting documentation based on the education and instructional benefit received by the school corporation. The explanation shall be filed in the teacher's personnel file and a copy of the explanation shall be provided to the exclusive representative. The school corporation shall present this information to the governing body in either a public meeting or executive session, at the discretion of the governing body."**

(Reference is to HB 1004 as printed January 29, 2016.)

BEHNING

 COMMITTEE REPORT

Madam President: The Senate Committee on Pensions and Labor, to which was referred House Bill No. 1004, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 11, delete lines 25 through 38, begin a new paragraph and insert:

"SECTION 4. IC 20-20-42.2 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]:

Chapter 42.2. Indiana Teacher Retention and Recruitment Program

Sec. 1. As used in this chapter, "program" refers to the Indiana teacher retention and recruitment program established by section 2 of this chapter.

Sec. 2. (a) The Indiana teacher retention and recruitment program is established to improve teacher retention rates, recruitment, and quality. Except as provided in subsection (b), the department, in consultation with teachers, school officials, and other stakeholders, may develop and implement programs to do the following:

(1) Promote the mentoring of inexperienced teachers by



effective role models.

(2) Promote the teaching profession in Indiana and the recruitment of teachers.

(3) If requested by a school corporation, provide assistance to the school corporation in developing a compensation model that:

(A) includes a pay range that has a professionally competitive base and index;

(B) includes regular increases of the base salary;

(C) expands opportunities for pay increases based on career paths, including ongoing learning through advanced degrees or additional licensure in education or related content areas; and

(D) establishes and compensates teacher leadership and career ladders that have mentoring opportunities and ongoing advancement, support, and recognition of teacher skills and experience.

(4) If requested by a school corporation, provide assistance to the school corporation in developing a teacher evaluation plan under IC 20-28-11.5-4 that emphasizes the use of data from multiple forms of assessment, including informal, teacher constructed, and standardized assessments to improve instruction and measure student growth.

(5) Improve or extend preservice clinical experience before licensure.

(6) Improve teacher and administrative knowledge and practice focused professional development programs.

(7) Increase teacher career pathways and leadership opportunities inside or outside the classroom.

(b) The programs developed and implemented by the department under subsection (a) must increase underrepresented populations in the teaching workforce.

(c) The scope of the development and implementation of programs under subsection (a) are subject to the availability and allocation of sufficient funding necessary for the department to staff the programs and carry out its responsibilities under this chapter.

(d) The department may award grants to school corporations or school personnel for programs established by the department under subsection (a) using criteria developed and in a manner prescribed by the department and approved by the state board.

SECTION 5. IC 20-20-43 IS ADDED TO THE INDIANA CODE



AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]:

Chapter 43. Indiana New Teacher Mentoring Program

Sec. 1. This chapter applies to an individual who receives an initial Indiana teaching license after March 31, 2016.

Sec. 2. As used in this chapter, "advisor" means a representative of a teacher training institution within Indiana who acts as a teacher advisor for a new teacher.

Sec. 3. As used in this chapter, "beginning teacher" means an individual who:

- (1) is employed as a teacher at a public school;
- (2) has not successfully completed a mentoring program under this chapter; and
- (3) has three (3) years or less of teaching experience.

Sec. 4. As used in this chapter, "mentor" refers to an individual who is assigned under section 8 of this chapter.

Sec. 5. As used in this chapter, "mentoring program" refers to the Indiana new teacher mentoring program established under section 7 of this chapter.

Sec. 6. As used in this chapter, "teacher training institution" means a college or university offering a program of teacher education approved by the board.

Sec. 7. (a) The Indiana new teacher mentoring program is established in collaboration with teacher training institutions to:

- (1) assist new teachers in the performance of their duties;
- (2) identify teaching skills and educational practices necessary to acquire and maintain excellence in teaching; and
- (3) evaluate the performance of beginning teachers by principals.

(b) The department may award grants to school corporations and charter schools for the purpose of providing stipends to mentors under section 8 of this chapter. The department, with the approval of the state board, shall establish criteria and the manner for distributing grants under this chapter, if the mentoring program has adequate funding to award grants.

(c) The scope of the development and implementation of the mentoring program under subsection (a) is subject to the availability and allocation of sufficient funding necessary for the department to staff the mentoring program and carry out its responsibilities under this chapter.

Sec. 8. (a) Each school corporation and charter school may, with the consent of the mentor, assign a mentor to assist each beginning



teacher under the mentoring program. If a school corporation or charter school elects to participate in the mentoring program, the superintendent shall, whenever possible, assign a mentor who:

- (1) has at least three (3) years of teaching experience;
- (2) teaches at a grade level similar to that of the beginning teacher;
- (3) teaches similar subjects as those of the beginning teacher;
- and
- (4) teaches in the same building as the beginning teacher.

(b) A mentor must be a teacher who is rated as effective or highly effective in an annual performance evaluation plan developed under IC 20-28-11.5-4.

(c) A mentor does not become a supervisor as a result of performing duties under this chapter.

(d) The superintendent shall take the action necessary to provide a mentor adequate time for the mentor to observe the beginning teacher in a classroom setting. Whenever practical, the superintendent shall provide the mentor release time from the mentor's nonclassroom duties.

(e) A mentor may receive an annual stipend in an amount determined by the school corporation or charter school from a grant made under this chapter. However, the following stipend amounts are recommended:

- (1) One thousand dollars (\$1,000) to a mentor who mentors a beginning teacher with one (1) school year or less of teaching experience.
- (2) Eight hundred dollars (\$800) to a mentor who mentors a beginning teacher with more than one (1) school year but two (2) school years or less of teaching experience.
- (3) Six hundred dollars (\$600) to a mentor who mentors a beginning teacher with more than two (2) school years but three (3) school years or less of teaching experience.

Sec. 9. The commission for higher education, in consultation with the department, shall monitor the success of mentoring programs established in collaboration with teacher training institutions under this chapter and provide information relating to successful mentoring programs on the commission for higher education's Internet web site.

SECTION 6. IC 20-28-5-3, AS AMENDED BY P.L.6-2012, SECTION 135, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3. (a) The department shall designate the grade point average required for each type of license.



(b) The department shall determine details of licensing not provided in this chapter, including requirements regarding the following:

- (1) The conversion of one (1) type of license into another.
- (2) The accreditation of teacher education schools and departments.
- (3) The exchange and renewal of licenses.
- (4) The endorsement of another state's license.
- (5) The acceptance of credentials from teacher education institutions of another state.
- (6) The academic and professional preparation for each type of license.
- (7) The granting of permission to teach a high school subject area related to the subject area for which the teacher holds a license.
- (8) The issuance of licenses on credentials.
- (9) The type of license required for each school position.
- (10) The size requirements for an elementary school requiring a licensed principal.
- (11) Any other related matters.

The department shall establish at least one (1) system for renewing a teaching license that does not require a graduate degree.

(c) This subsection does not apply to an applicant for a substitute teacher license **or to an individual granted a license under section 18 of this chapter**. After June 30, 2011, the department may not issue an initial practitioner license at any grade level to an applicant for an initial practitioner license unless the applicant shows evidence that the applicant:

- (1) has successfully completed training approved by the department in:
 - (A) cardiopulmonary resuscitation that includes a test demonstration on a mannequin;
 - (B) removing a foreign body causing an obstruction in an airway;
 - (C) the Heimlich maneuver; and
 - (D) the use of an automated external defibrillator;
- (2) holds a valid certification in each of the procedures described in subdivision (1) issued by:
 - (A) the American Red Cross;
 - (B) the American Heart Association; or
 - (C) a comparable organization or institution approved by the advisory board; or
- (3) has physical limitations that make it impracticable for the applicant to complete a course or certification described in



subdivision (1) or (2).

The training in this subsection applies to a teacher (as defined in IC 20-18-2-22(b)).

(d) This subsection does not apply to an applicant for a substitute teacher license **or to an individual granted a license under section 18 of this chapter**. After June 30, 2013, the department may not issue an initial teaching license at any grade level to an applicant for an initial teaching license unless the applicant shows evidence that the applicant has successfully completed education and training on the prevention of child suicide and the recognition of signs that a student may be considering suicide.

(e) This subsection does not apply to an applicant for a substitute teacher license. After June 30, 2012, the department may not issue a teaching license renewal at any grade level to an applicant unless the applicant shows evidence that the applicant:

(1) has successfully completed training approved by the department in:

- (A) cardiopulmonary resuscitation that includes a test demonstration on a mannequin;
- (B) removing a foreign body causing an obstruction in an airway;
- (C) the Heimlich maneuver; and
- (D) the use of an automated external defibrillator;

(2) holds a valid certification in each of the procedures described in subdivision (1) issued by:

- (A) the American Red Cross;
- (B) the American Heart Association; or
- (C) a comparable organization or institution approved by the advisory board; or

(3) has physical limitations that make it impracticable for the applicant to complete a course or certification described in subdivision (1) or (2).

(f) The department shall periodically publish bulletins regarding:

- (1) the details described in subsection (b);
- (2) information on the types of licenses issued;
- (3) the rules governing the issuance of each type of license; and
- (4) other similar matters.

SECTION 7. IC 20-28-5-12, AS AMENDED BY P.L.6-2012, SECTION 136, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 12. (a) Subsection (b) does not apply to an individual who:

(1) held an Indiana limited, reciprocal, or standard teaching



license on June 30, 1985; **or**

(2) is granted a license under section 18 of this chapter.

(b) The department may not grant an initial practitioner license to an individual unless the individual has demonstrated proficiency in the following areas on a written examination or through other procedures prescribed by the department:

- (1) Basic reading, writing, and mathematics.
- (2) Pedagogy.
- (3) Knowledge of the areas in which the individual is required to have a license to teach.
- (4) If the individual is seeking to be licensed as an elementary school teacher, comprehensive scientifically based reading instruction skills, including:
 - (A) phonemic awareness;
 - (B) phonics instruction;
 - (C) fluency;
 - (D) vocabulary; and
 - (E) comprehension.

(c) An individual's license examination score may not be disclosed by the department without the individual's consent unless specifically required by state or federal statute or court order.

(d) The state board shall adopt rules under IC 4-22-2 to do the following:

- (1) Adopt, validate, and implement the examination or other procedures required by subsection (b).
- (2) Establish examination scores indicating proficiency.
- (3) Otherwise carry out the purposes of this section.

(e) **Subject to section 18 of this chapter**, the state board shall adopt rules under IC 4-22-2 establishing the conditions under which the requirements of this section may be waived for an individual holding a valid teacher's license issued by another state.

SECTION 8. IC 20-28-5-18 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 18. (a) This section applies to an individual who:**

- (1) holds a valid teaching license issued by another state in the same content area or areas for which the individual is applying for a license in Indiana; and**
- (2) was required to pass a content licensure test to obtain the license described in subdivision (1).**

(b) Notwithstanding sections 3 and 12 of this chapter, the department shall grant one (1) of the following licenses to an individual described in subsection (a):



(1) If the individual has less than three (3) years of full-time teaching experience, an initial practitioner's license.

(2) If the individual has at least three (3) years of full-time teaching experience, a practitioner's license.

(c) An individual who is granted a license under this section shall comply with section 3(c) and 3(d) of this chapter not later than twelve (12) months after the date the individual's license is issued."

Page 12, delete lines 34 through 42, begin a new paragraph and insert:

"SECTION 10. IC 20-28-9-1.5, AS AMENDED BY P.L.213-2015, SECTION 179, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1.5. (a) This ~~subsection~~ **section** governs salary increases for a teacher employed by a school corporation. Compensation attributable to additional degrees or graduate credits earned before the effective date of a local compensation plan created under this chapter before July 1, 2015, shall continue for school years beginning after June 30, 2015. Compensation attributable to additional degrees for which a teacher has started course work before July 1, 2011, and completed course work before September 2, 2014, shall also continue for school years beginning after June 30, 2015.

(b) For school years beginning after June 30, 2015, a school corporation may provide a supplemental payment to a teacher in excess of the salary specified in the school corporation's compensation plan if under any of the following circumstances:

(1) The teacher has earned a master's degree from an accredited postsecondary educational institution in a content area directly related to the subject matter of:

(1) (A) a dual credit course; or

(2) (B) another course;

taught by the teacher.

(2) For school years beginning after June 30, 2016, the teacher has received authorization for the teacher's advanced placement course syllabus from the College Board for an advanced placement course taught by the teacher.

(3) For school years beginning after June 30, 2016, to attract or retain a teacher who is, or will be, employed in a position that is difficult to fill by the school corporation, as determined by the school corporation.

(4) For school years beginning after June 30, 2016, the attainment of either additional degrees or credit hours beyond



the requirements for employment with at least eighteen (18) hours in a content area currently taught by the teacher or a content area the teacher plans to teach upon receiving the degree or credit hours. In addition, a supplemental payment may be made to

(5) The teacher is an elementary school teacher who earns a master's degree in math or reading and literacy.

The superintendent or the superintendent's designee shall prepare a written explanation for the decision to supplement a teacher's pay. The explanation must include supporting documentation based on the education and instructional benefit received by the school corporation. The explanation shall be filed in the teacher's personnel file and a copy of the explanation shall be provided to the exclusive representative. The school corporation shall present this information to the governing body in a public meeting. In addition, an amount determined under the policies adopted by the governing body but not exceeding fifty percent (50%) of the amount of a supplemental payment to an individual teacher in a particular state fiscal year beginning after June 30, 2016, becomes a permanent part of and increases the base salary of the teacher receiving the supplemental payment for school years beginning after the state fiscal year in which the supplemental payment is received. A supplement supplemental payment or an addition to a teacher's base salary provided under this subsection is not subject to collective bargaining, but a discussion of the supplement supplemental payment or addition to a teacher's base salary must be held. Such A supplement supplemental payment under this subsection is in addition to any increase permitted under subsection ~~(b)~~ (c).

~~(b)~~ (c) Increases or increments in a local salary range must be based upon a combination of the following factors:

- (1) A combination of the following factors taken together may account for not more than thirty-three **and one-third** percent ~~(33%)~~ (33.33%) of the calculation used to determine a teacher's increase or increment:
 - (A) The number of years of a teacher's experience.
 - (B) The attainment of either:
 - (i) additional content area degrees beyond the requirements for employment; or
 - (ii) additional content area degrees and credit hours beyond the requirements for employment, if required under an agreement bargained under IC 20-29.
- (2) The results of an evaluation conducted under IC 20-28-11.5.



(3) The assignment of instructional leadership roles, including the responsibility for conducting evaluations under IC 20-28-11.5.

(4) The academic needs of students in the school corporation.

~~(c)~~ **(d) Except as provided in subsection (e),** a teacher rated ineffective or improvement necessary under IC 20-28-11.5 may not receive any raise or increment for the following year if the teacher's employment contract is continued. The amount that would otherwise have been allocated for the salary increase of teachers rated ineffective or improvement necessary shall be allocated for compensation of all teachers rated effective and highly effective based on the criteria in subsection ~~(b)~~: **(c)**.

(e) Subsection (d) does not apply to a teacher in the first two (2) full school years that the teacher provides instruction to students in elementary school or high school. If a teacher provides instruction to students in elementary school or high school in another state, any full school year, or its equivalent in the other state, that the teacher provides instruction counts toward the two (2) full school years under this subsection.

~~(d)~~ **(f)** A teacher who does not receive a raise or increment under subsection ~~(c)~~ **(d)** may file a request with the superintendent or superintendent's designee not later than five (5) days after receiving notice that the teacher received a rating of ineffective. The teacher is entitled to a private conference with the superintendent or superintendent's designee.

~~(e)~~ **(g)** The department shall publish a model compensation plan with a model salary range that a school corporation may adopt. ~~Before July 1, 2015, the department may modify the model compensation plan, as needed, to comply with subsection (f):~~

~~(f)~~ **(h)** Each school corporation shall submit its local compensation plan to the department. For a school year beginning after June 30, 2015, a local compensation plan must specify the range for teacher salaries. The department shall publish the local compensation plans on the department's Internet web site.

~~(g)~~ **(i)** The department shall report any noncompliance with this section to the state board.

~~(h)~~ **(j)** The state board shall take appropriate action to ensure compliance with this section.

~~(i)~~ **(k)** This chapter may not be construed to require or allow a school corporation to decrease the salary of any teacher below the salary the teacher was earning on or before July 1, 2015, if that decrease would be made solely to conform to the new compensation plan.



⌚ (I) After June 30, 2011, all rights, duties, or obligations established under IC 20-28-9-1 before its repeal are considered rights, duties, or obligations under this section."

Delete pages 13 through 15.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1004 as reprinted February 3, 2016.)

BOOTS, Chairperson

Committee Vote: Yeas 7, Nays 4.

